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Remarks/Arguments:

Claims 1-10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kanda et al. (US 5,851,732) in view of Sugishita et al. (US 4,424,251) and Imai et al. (US 6,664,029). It is respectfully submitted, however, that these claims are now allowable for the reasons set forth below.

The Official Action argues that the black stripe in Imai et al. is equivalent to Applicants' light-shield 18(b). (Page 3, last paragraph). However, there are no drawings in Imai et al. Imai et al. only discloses a black coating film layer formed over the surface of the substrate. (Col. 14, line 63 to col. 15, line 14 and col. 17, lines 16-27).

Applicants' invention, as recited by claim 1, includes a feature which is neither disclosed nor suggested by the art of record, namely:

...the display electrode including a transparent electrode and a bus electrode disposed on a side of the transparent electrode opposite the from substrate;...

...the light-shield extends from the front substrate along a side of the transparent layer to the black layer.

Applicants' exemplary embodiment includes a substrate 13, a light shield 18(b), and a display electrodes 6. (Fig. 2). Each display electrode 6 includes a transparent electrode 4a and 5a and a bus electrode 4b and 5b. Each bus electrode includes conductive layer 19 and black layer 18a. Each bus electrode 4b and 5b is disposed on a side of the transparent electrode 4a and 5a opposite the front substrate 3. Further, the light-shield 18b extends from the front substrate 3 along a side of the transparent electrode 4a and 5a to the black layer 18a. It is because of this configuration that the light shield can be formed, for example, at the same time as the black layer. Accordingly, claim 2 is patentable over the art of record.

Applicants' invention, as recited by claim 2, includes a feature which is neither disclosed nor suggested by the art of record, namely:

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...the display electrode and the light-shield are electrically insulated **from each other**.

The Official Action argues that the electrodes in Kanda et al. are insulated. (Page 3, lines 2-3). However, Kanda et al. does not disclose a light shield. The Official Action also argues that Imai et al. includes a light shield (black stripe). (Col. 14, line 63 to col. 15, line 14 and col. 17, lines 16-27). However, the prior art does not disclose that the display electrode and the light-shield are electrically insulated **from each other.** Accordingly, claim 2 is patentable over the art of record.

The remaining claims are patentable by virtue of their dependency on allowable independent claims.

In view of the amendments and arguments set forth above, the aboveidentified application is in condition for allowance, which action is respectfully requested.

Respectfully submitted

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